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Congress Agrees On Handling Iran Arms Probe

Two Houses to Form Panels; Reagan Decision Is Seen Today on Calling Session

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WASHINGTON — Each house of Congress, in an effort to streamline the investigation of secret arms sales to Iran, will create a special committee to carry on the inquiry.

The congressional agreement was expected to eliminate the need for a special session of Congress, but a final decision on whether to summon members back to the capital won't come until today.

The investigations won't formally begin until next year, but the agreement by congressional leaders to create investigatory committees will permit preliminary steps to assure the inquiries get under way swiftly.

Separately, Congress seems more forgiving toward Israel than it is toward the Reagan administration or the Contras in the scandal over secret arms sales to Iran. (See story on page 15)

Meanwhile, Americans' confidence in President Reagan has been punctured by the Iran-Nicaragua scandal, according to a nationwide Wall Street Journal/NBC News poll (see story on page 62).

The congressional leaders wanted to create special committees to funnel congressional energies on the inquiry and to assure that several committees on Capitol Hill won't compete with each other in what House Republican Leader Robert Michel of Illinois called "a circus atmosphere around here." President Reagan also has urged that congressional efforts be streamlined, but it is up to him to decide whether a special congressional session is necessary.

Meanwhile, officials said that Attorney General Edwin Meese yesterday filed a formal request for a court-appointed independent counsel to take over the administration's investigation of the Iranian arms scandal.

The documents, filed with a special appeals court panel here, aren't likely to become public for a few more days. But administration and law-enforcement officials have speculated that the request cites potential violations of at least a handful of separate laws, ranging from anti-conspiracy and export control statutes to congressional prohibitions on funneling aid to anti-Communist Nicaragua rebels.

The judges are almost certain to go along with Mr. Meese's recommendation to give the independent prosecutor broad authority to probe all aspects of the arms sales and to uncover how millions of dollars of profit was diverted to help the Nicaragua rebels. In addition to investigating current and former National Security Council officials, the independent prosecutor is expected to focus on what other White House aides, Central Intelligence Agency officials and senior Reagan appointees in other departments knew about the transactions.

The judges have final authority to pick the independent counsel and determine the scope of the investigation.

Also, Samuel Dash, who was the chief counsel and staff director of the Senate Watergate committee that investigated the Nixon administration, appeared yesterday before the Senate Intelligence Committee, which is looking into the Iran affair. A committee source said the panel questioned Mr. Dash about the use of immunity during such investigations.

Vice Adm. John Poindexter, who resigned as national security adviser last week, refused during two appearances before the panel this week to discuss his role in the Iran-Nicaragua affair. Mr. Poindexter cited his Fifth Amendment right to refuse to incriminate himself. Mr. Poindexter's attorney said he might be more willing to cooperate later, suggesting that Mr. Poindexter might be seeking immunity from prosecution in exchange for testimony. Similarly, Lt. Col. Oliver North, a Poindexter aide who was fired last week, refused to testify before the committee earlier this week.

Separately, retiring Nevada Republican Sen. Paul Laxalt, a longtime confidant of President Reagan, has told the president he would be willing to take any official role to help the administration. The White House has insisted that Chief of Staff Donald Regan would be staying, although there were new rumors on Capitol Hill late yesterday that his departure could be imminent. Mr. Laxalt might well be a successor given his closeness to the president and Nancy Reagan.

The composition of the Senate committee hasn't been disclosed, but Sen. Daniel Inouye (D., Hawaii) emerged as a leading candidate for chairman, with Sens. Howell Heflin (D., Ala.), Sam Nunn (D., Ga.) and George Mitchell (D., Maine), a former federal judge, also considered possibilities. The committee is to have 11 members, six of them Democrats, plus two ex-officio members wihtout votes.

The House committee is to have 15 members, nine of them Democrats. House Majority Leader James Wright (D., Texas) who is in line to become speaker, said that five committee chairmen—Lee Hamilton (D., Ind.) of the Intelligence Committee, Dante Fascell (D., Fla.) of Foreign Affairs, Les Aspin (D., Wis.) of Armed Services, Jack Brooks (D., Texas) of Government Operations, and Peter Rodino (D., N.J.) of Judiciary—would be among the members.

Mr. Michel said he expected he would name ranking Republican members of those five committees for the inquiry, but he said he hadn't made a final decision.

Mr. Wright said the special House committee would create a "consolidated record of all the facts and information" surrounding the Iran arms affair and that other committees would defer to the investigation.

The agreements on both sides of the Capitol are informal, because the 99th Congress has adjourned and the 100th isn't scheduled to be called to Washington until early next month. Both the House and Senate would have to give formal agreement to the creation of the committees in January.

"The president wants to get the process under way to demonstrate once again his determination to get all the facts and to put the issue to rest," said Senate Republican leader Robert Dole of Kansas.

Sen. Dole had called for a special session to permit both houses to take the formal steps necessary to get investigations started. Under the agreements reached yesterday, those formal steps will be taken when Congress returns in January. Democrats, who will control both houses of Congress in the next session, had opposed a special session with the current membership, which has the Senate in Republican hands.

The Senate Democratic leader, Robert Byrd, of West Virginia, said that the Senate committee, whose members are to be announced by Dec. 15, would decide whether the hearings would be public or private.

Current Probe Would Continue

Yesterday's decision to proceed with special committees won't halt the inquiry already under way by the Senate Intelligence Committee. Committee sources said the hearings are expected to continue next week "and perhaps longer."

Senate leaders still must decide whether the material gathered by the Intelligence Committee will be offered to the special Senate committee. "I would have to research the statutory basis for this committee and its investigation before I determine that its record is available to some other congressional committee," said Sen. David Durenberger (R., Minn.), chairman of the Intelligence panel.

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In addition to Mr. Dash, the Intelligence Committee also heard testimony yesterday from Robert Gates, the CIA's deputy director. A committee aide wouldn't characterize Mr. Gates's testimony, but Sen. Durenberger said that none of yesterday's witnesses invoked the Fifth Amendment.

'Flying Around the Country'

Sen. Durenberger, according to an aide, also said that the panel this week has sent people "flying around the country" issuing subpoenas and getting documents. Sen. Durenberger said that as the panel hears more testimony, "it's opening more doors that we have to send a subpoena through." He added that President Reagan was the best source of information. "If he chose to get all of the facts and make them public, that would hasten the process a lot more," he said.

The panel also heard yesterday from several members of the intelligence community whose identities weren't disclosed. Charles Allen, the CIA's top analyst on terrorism, also appeared but the panel ended its hearing before he had an opportunity to testify and he is expected to return today.

During a breakfast with a group of reporters yesterday, FBI director William Webster said his agency already is investigating to see if the arms shipments to Iran may have violated a "series of statutes," including the Arms Export Control Act and the Boland amendment, which barred direct or indirect military aid to the Contras before Oct. 1. The preliminary findings of that investigation will be made available to the independent counsel, whose investigation is expected to take several months.

Mr. Webster went out of his way to dismiss allegations that Lt. Col. North or others may have destroyed important documents before investigators secured them. "We have found no indications to date" that any evidence was lost, Mr. Webster said. "There's nothing that we have found that indicates . . .we lost anything."

The FBI chief stressed that neither the president nor Mr. Meese would receive detailed information about the status of the current probe unless it involved "something of critical national security interest."

Mr. Webster became the first senior Reagan administration official to explicitly criticize the way the NSC has operated recently. "When operational matters find their way into the National Security Council," he asserted, "we seem to have these kind of problems."

Other Signs of Dissension

There were other signs of dissension at the top levels of the administration. White House spokesman Larry Speakes took issue with Defense Secretary Caspar Weinberger's assertions that seeking out "moderate" factions in Iran may have been a mistake. "Some of that we don't agree with," Mr. Speakes asserted. "We felt at the time there were moderates in Iran and presumably they are still there." But he added, "I'd like to see his (Mr. Weinberger's) full text before I cut him off at the knees."

And, despite President Reagan's earlier calls for full cooperation with Congress, Mr. Reagan didn't indicate any objections yesterday to either his former national security adviser or potentially his cabinet members invoking the Fifth Amendment. Asked about the decisions of Mr. Poindexter and Lt. Col. North, the president said, "It's not unusual."

Reagan Ruled Nothing Out

Asked if he hoped for his cabinet members to testify, Mr. Reagan replied, "the individuals will have to make those decisions for themselves." Finally, when he was asked if he would impose arguments of executive privilege, Mr. Reagan ruled nothing out, saying only, "I haven't given any thought to that."

Later, Mr. Speakes said the president's policy of cooperation hadn't changed, explaining that, "The president wants them (administration officials) to tell everything consistent with the advice of their counsel." Separately, one of the leading American experts on Iran estimated that Israel and the U.S. sold the Iranians $500 million to $1 billion of arms this year. Gary Sick, who was the National Security Council staff's Iran expert in the Carter administration, said that was enough to give Iran an edge in another attack against Iraq. Still, he said, poor logistics and rivalries between the Iranian military and young revolutionary guardsmen may prevent the Iranians from sustaining another offensive.

But Mr. Sick told an audience at the American Enterprise Institute that the U.S. and Israeli arms sales could give Iran an important psychological boost, increase the pressure to remove Iraqi President Saddam Hussein, and "open the floodgates" to arms sales from other nations.

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